



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Approve a Request for Class B liquor license for Title House to be located at 101 E Main Street, St. Charles (former Starbucks' location)

Presenter: Chief Keegan

Please check appropriate box:

X	Government Operations (01/04/16)		Government Services
	Planning & Development		City Council
	Public Hearing		Liquor Control Commission

Estimated Cost:		Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

Executive Summary:

This is a request for a new Class B liquor license for Title House to be located at 101 E Main Street, St. Charles, IL (former Starbucks' location). This business is not requesting a late night permit.

All paper work is in order, background check has been completed by the Police Department, as well as fingerprint and BASSET certification..

The application is recommended by the Liquor Control Commission meeting held on December 21, 2015 to go before the Government Operations Committee for their recommendation to City Council for final approval. Vote: Ayes: 3; Nays: 0; Absent: 2 with license being issued after they past final inspection and are granted occupancy.

Attachments: *(please list)*

- Application (front page)
- Background Check
- Menu
- Site Plan and Business Plan

Recommendation / Suggested Action *(briefly explain):*

Recommendation to approve a proposal for Class B liquor license for Title House to be located at 101 E Main Street, St. Charles (former Starbucks' location).

<i>For office use only:</i>	<i>Agenda Item Number: 4b</i>
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Date: _____
() New Application
() Renewal Application

CITY OF ST. CHARLES
LIQUOR CONTROL COMMISSIONER
TWO EAST MAIN STREET
ST. CHARLES, ILLINOIS 60174-1984



City Retail Liquor Dealer License Application (rev. 12/13) Non-Refundable

Ordinance 5.08.050.A1 Application must be completed in full Incomplete applications will be rejected

Business Type: Circle one Individual Partnership Corporation Other Class B

Business Name TITLE HOUSE Sales Tax # _____

Business Address 101 E. MAIN ST. ST. CHARLES, IL 60174 Business Phone # 702-805-8059

Contact Person MARIANNA RIDENDUR Title MS. Phone # _____

If Corporation, Corporate Name TITLE HOUSE INC.

Corporation Address 101 E. MAIN ST. ST. CHARLES, IL 60174

Corporate Officers, plus Manager of Establishment, Officers must include President, Vice President, Secretary and Treasurer Or Sole Proprietor

Have you had a business within the City of St. Charles under any other corporate name: Yes No
If yes, list address of business _____

Full Name, include Middle Initial MARIANNA M. RIDENDUR Title MS.

Birth Date _____ Birthplace Honolulu, HI Driver's License # _____ Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Full Name, include Middle Initial _____ Title _____

Birth Date _____ Birthplace _____ Driver's License # _____ Home Phone # _____

Home Address _____

Type of Establishment: () Package Restaurant () Tavern () Hotel/Banquet/
Arcada/Q-Center () Other _____

Check as Applicable to () Holding Bar [5.08.010-F] () Service Bar [5.08.010-O] () Live Entertainment [5.08.010-H]
Type of Establishment: () Outside Dining [17.20.020-R]

Brief Business Plan Description based on type of establishment listed above:

Initial: Liq Comm _____
Police Chief _____



Memo

Date: 12/18/2015
To: The Honorable Ray Rogina, Mayor-Liquor Commissioner
From: James Keegan, Chief of Police
Re: Background Investigation-Title House Restaurant & Tavern/101 E. Main Street (Class B)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

As you are aware, this location housed the former Starbucks coffee shop that has since relocated to 1st Street. The business plan submitted seeks approval to operate as a class B restaurant license with a full-service kitchen.

The site location/floor plans and the corresponding application materials were reviewed by my staff. We also reviewed their business plan, Dram Shop insurance (quote) and their articles of incorporation paperwork through the Illinois Secretary of State. We found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with an on-site consumption license, subject to City Council approval. This location is NOT requesting a late night permit.

Thank you in advance for your consideration in this matter.

Business Plan For
Title House

Title House
Restaurant and Tavern

Submitted by:
Marianna Ridenour
St. Charles, IL
03 December 2015

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Executive Summary

References in this document to “Title House,” “Title House Inc.,” “company,” “we,” “us,” “TH,” “THinc,” and “our” refer to the business of Title House Inc.

Title House is a new and exciting restaurant concept featuring a variety of fresh, locally sourced, boldly flavored, made-to-order menu items. Our restaurant will create an upscale sports style atmosphere that includes an extensive multi-media system, a full bar and an open layout which will appeal to sports fans and families alike. Our concept will offer elements of a casual dining restaurant, an evolving menu utilizing high-quality ingredients, craft beer and specialty cocktail options, and a multitude of television viewing opportunities. We will feature a flexible service model that allows our guests to choose among convenient dining options such as casual counter service, tableside full-service or take-out. Our unique and extensive food menu and inviting atmosphere, combined with our guests’ ability to customize their dining and viewing experience, will drive guest visits and loyalty.

We want to establish our brand through coordinated marketing and operational execution that ensures brand recognition and the quality and consistency of our concept. These efforts include marketing programs and aggressive advertising to support our restaurant. Our concept is further strengthened by our emphasis on operational excellence supported by stringent operating guidelines and comprehensive employee training.

Our business goal is to continue to grow and develop the Title House theme. To do so, we plan to execute the following:

- Offer a fresh, locally-sourced, boldly-flavored menu with broad appeal.
- Create an inviting, upscale neighborhood atmosphere.
- Enable our guests to customize their dining and viewing experience.
- Continue to strengthen the Title House name.
- Focus on operational excellence.
- Increase same-store sales and average unit volumes.

Introduction

Mission Statement

Title House will be the premier destination for sports fans in St. Charles and beyond. We will offer great food and service, customizable viewing options, and an upscale casual sports atmosphere unparalleled in the area.

Title House will strive to be the premier sports themed restaurant in the Tri-City area. This will be the finest, most comfortable sports bar in this region. At this sports bar we want our customers to have a more exciting experience during their favorite sport and dining time. This sports bar will provide more televisions with more sporting events than anywhere else in the region. This sports bar will provide state-of-the-art table-top audio control at each table so the customer can listen to the selected program of his or her choice without interference from background noise. The sports bar will combine menu selection, atmosphere, lighting, service and sports to create a sense of excitement in order to reach our goal of over-all value in a dining and entertainment experience.

Title House Inc. only shareholder is Marianna Ridenour. She will be the principal owner of the restaurant. The expected open date for this restaurant will be 02 April 2016. This will give us the opportunity to serve customers for the upcoming 2016 sports seasons.

Industry Analysis

The restaurant industry is an enormous part of our economy. The industry is one of the top employers in the country. There are many categories of restaurants so, outlined below is the services sector and the restaurant industry. According to the National Restaurant Association the 2015 industry outlook is:

- Sales: est. \$709.2B (record high)
- 945,000 locations
- 12.7M employees
- \$1.94B in daily sales
- Families spent almost \$2700 per year in away-from-home food
- **78 percent** of adults agree that going out to a restaurant with family or friends gives them an opportunity to socialize and is a better way to make use of their leisure time than cooking and cleaning up.

According to the United States Department of Labor, "Between 2006 and 2016, the Hospitality industry is expected to add 18 percent in wage and salary employment. Within the industry, wage and salary jobs in food services and drinking places are

expected to increase by 17 percent between 2006-16, compared to 14 percent growth projected for wage and salary employment in all industries combined". Also, "The accommodation and food services sector makes up approximately 8 percent of all employment nationally (Bureau of Labor Statistics, Industry at a Glance)".

The industry trends to watch:

- Greater use of technology and worker training as a means to boost productivity and efficiency.
- Continued increased focus on healthy lifestyles and restaurants providing customers with fresh, local choices and customization.
- Increased upgrades and improvements in decor and becoming environmentally friendly.

An interesting article from _____ states that "Unknown restaurant concepts being cultivated today are the industry's 'baby gorillas'. Like a baby gorilla, a fledgling upstart restaurant may be small enough to pick up now, but too large to handle within just a few years. An increasing number of restaurant concepts being launched and nourished now will be category killers in the next decade, blazing past national chains and forcing a significant change in the top 400 restaurant companies. Because change unfolds at an exponential rate, keep an eye on 'baby' brands that show signs of growing into the next 800-pound gorilla". The Title House will serve several market sectors. We will have an upscale casual atmosphere, a revolving food and drink menu that caters to consumers' demand for organic, local, and specialty options, as well as accommodating the sports and television enthusiast alike. The restaurant will have to serve multiple uses; for example, workday breakfast and lunch, dinner with the family, popular television series viewing parties, watching the big game, late-night cravings, and take-out. Every position in the restaurant will have a view of at least 2 televisions, so every viewing preference will be met. In addition, a separate dining area will be available for corporate meetings, viewing parties, and other private functions.

Organization

Title House Inc. will be held privately by a corporation owned by Marianna Ridenour. The restaurant will be located at 101 E. Main Street, Saint Charles, Illinois, 60174. Saint Charles already draws a large audience that frequents a number of area restaurants and taverns. Title House will offer an experience that caters to the successful business professional sports fan, a part of said audience that is currently underserved in the community.

The restaurant will need to serve several market sectors. It will have a family atmosphere as well as cater to the sports enthusiast. The restaurant will have a lunch menu, dinner menu, and the bar menu. The restaurant will also have weekly happy hour drink specials along with lunch and dinner specials, nightly and weekly events, as well as a private venue to sponsor other television viewing events. With the coveted summer weather in Illinois being favorable to seasonal outdoor activities, we believe sidewalk café tables are an important part of the overall success of the restaurant.

To help save on insurance cost and claims, top management will stress safety, stress safety, and stress more safety. Safety starts with the hiring process. The company will be thorough in efforts to screen employees and will implement pre-employment drug tests. This should help reduce on-the-job accidents that lead to insurance claims.

The insurances for the pub that must be acquired include workman's compensation, property & liability, liquor liability, and health insurance. Workman's compensation covers employees in case of harm attributed to the workplace. The property and liability insurance protects the building from theft, fire, natural disasters, and being sued by a third party. Liquor liability insurance provides coverage for bodily injury or property damage for which the insured may be held liable for contributing intoxication to any person. The company will need liquor liability insurance before liquor licenses are granted. Employee health insurance will be provided for the full time employee and will probably be the most expensive. Actual prices may vary and are dependent upon the number of employees. Quotes are relatively easy to get and will be added at the time insurance is acquired.

Professional accounting services will be employed immediately to ensure proper organization of the books. We will forecast a sales growth of 10% per year. The company will gain market share because of the atmosphere, quality of ingredients, and exceptional viewing experience.

Management/Human Resources

Current management will include Marianna Ridenour as Owner and General Manager. Other key personnel will be hired on an as-needed basis. There is not expected to be any shortage of qualified and available staff and management from local labor pools in each market area.

Benefit plan for full time employees

- Health insurance will be provided for all full-time personal.
- One paid vacation week after a year of employment.
- Three sick days will be provided
- 401k option if employee desires
- Dental will be on a 60/40 pay program
- Education reimbursement will be provided as a predetermined % in order to attract and retain responsible and competent employees.

Marianna Ridenour will be the President, CEO, and General Manager of Title House. General duties will be to oversee the daily operations of the restaurant, inventory and ordering of food, equipment, and supplies and arrange for the routine maintenance and upkeep of the restaurant, its equipment, and facilities. The General Manager will take a yearly salary only when the business begins seeing a profit from operations.

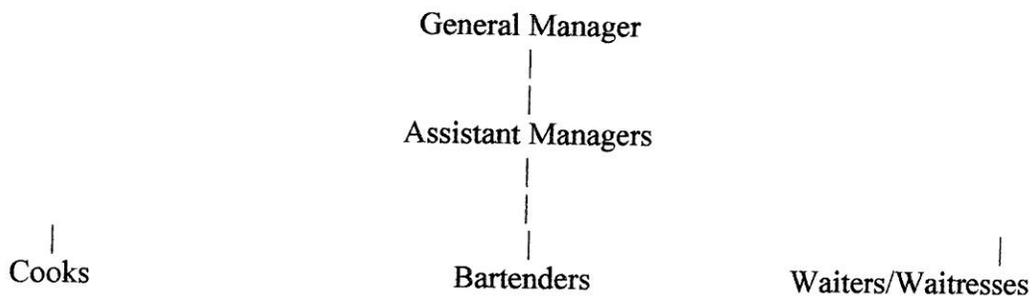
There will be two assistant managers for the restaurant and their duties will be to oversee the personnel when the General Manager is not available. One of the managers will deal mainly with the cooks and the other with the wait staff and bartenders.

There will be two to six cooks (depending upon need) and each scheduled to work at most forty hours a week. They will have eight hour shifts and get paid up to \$12 per hour. The benefit plan may also be provided.

There will be two to five bartenders. They will work forty hours a week if so desired. They will be paid up to \$6.00 per hour depending on experience and may also be eligible to receive the benefit plan.

There will be three to five servers on staff who will assist in host/hostess positions as well. There will be some part time positions and full time positions. They will be paid up to \$6.00 per hour plus gratuity.

Manage Team Structure



As stated before, a professional accountant will be employed immediately in order to ensure proper bookkeeping procedures.

Employees will be trained not only in their specific operational duties but in the philosophy and applications of our concept. They will receive extensive information from the managers and be kept informed of the latest information on healthy eating.

For process and benchmarking a big emphasis is being placed on extensive research into the quality and integrity of our products. They will constantly be tested for our own high standards of freshness and purity. Food costs and inventory control will be handled by our computer system and checked daily by management.

Operations

The key food suppliers for the business will be Maines, Get Fresh, or other reputable wholesale food distributors. THInc. will select the supplier that provides us a store credit, has exceptional delivery times, and has the best overall prices. Local liquor distributors will be utilized, including Southern Wine and Spirits, Wirtz Beverage, and Euclid Beverage. We will acquire office supplies from Office Max or Staples. The rest

of the restaurant supplies (pots, pans, silverware, cooking utensils) will come from the most reputable dealer.

The inventory management and order taking and processing will be processed on touch screen point-of-sale monitors placed throughout the restaurant and bar area. The software for the business will either be Micros, Aloha, or another premiere restaurant software programs. This software can be altered to the business needs and many companies offer customer service if we are ever in need. The software will include a point of sale menu, inventory control analysis, credit card sales, bar and quick serve menu, office management, and much more.

We will provide ongoing training programs to assist with customer service and quality control. The training will include preparation of menu items, quality and food portion control, beverage and inventory management, using the software, cleanliness, organization and sanitation standards, marketing and public relations. All OSHA regulations will be taught and followed by all employees. All proper health documents and other licenses will be acquired and required for all employees, even management.

Competitive Analysis

TH is an upscale dining, sports-themed restaurant. The geographic area that TH will cover is Saint Charles, Geneva, Batavia and surrounding markets. TH hopes to zero in on the local market as well as attract and retain a following with visitors.

There are many taverns and restaurants in the area but none of them focus on a high-class sports bar theme. TH will offer a true sports bar theme and style. We will embrace all sports, and our focus will be on history and timelessness. Within a short distance of the proposed location are 15+ restaurants and bars, and not a single one of them is sports bar themed. These establishments include Francesca's, Zaza's, Wok n' Fire, Taste of the Himalayas, El Puente, Riverside Pub, Alley 64, Pub 222, The Beehive, House Pub, The Filling Station, The Office, and Alibi, and Solerno's to name a few.

The top competitor is Buffalo Wild Wings which is 2.6 miles away. Buffalo Wild Wings is a sports bar that offers an extensive menu with chicken products, full bar service, and sporting events on many TV's. Buffalo Wild Wings shares a part of the same target market as TH, but TH's focus caters to business professionals with higher income. Buffalo Wild Wings has a casual family dining experience and sports bar theme all in one restaurant. One advantage that we hold is that Marianna Ridenour was a manager at a Buffalo Wild Wings for three years. This gives TH management the insight to emulate the winning concepts, yet fine-tune TH to be its own separate and recognizable entity. TH will differentiate itself from Buffalo Wild Wings by offering a high-quality menu selection, sophisticated atmosphere, and comfortable, personalized service.

Herein, we will use a SWOT analysis to help better understand the business, determine the target market, and develop a marketing plan.

Strengths

- Only sports pub of its kind in the area
- Full, fresh, locally-sourced menu
- Upscale sports themed atmosphere
- Lots of TV's
- Will use TV and radio commercials to communicate to the various markets.
- Offer high quality audio and video equipment for their customer viewing and listening pleasures.
- High visibility, centralized location
- Attentive, experienced staff
- Arcada Theater

Weaknesses

- No brand recognition
- Location Size
- Company size

Opportunities

- To attract and retain financially successful sports fans in the area
- Possible future expansion
- Many outlets for advertising

Threats

- Another sports bar could move into this area
- Current growth desirable to competition
- Fast food chains, people could get their food and watch sports at home
- Higher food cost stemming from organic, local ingredients
- Inflation affecting operations for food, labor, and restaurant operating costs
- Keeping trained efficient staff

Marketing

TH's target market is the sports enthusiast, the business entertainer/owner, other service industry professionals, and the local night crowd, as well as families dining out. We want a variety of customers and will make sure everybody can enjoy the TH experience.

TH is planning a well-advertised grand opening before the start of the 2016 MLB regular season. The opening date will be a couple weeks before the grand opening and this will allow the employees to become familiar with the operations and customer interaction. The grand opening will be advertised in the local papers, radio, and many social media platforms. TH will pursue an aggressive marketing campaign targeted at the local sports fan market as white and blue-collar professionals.

Pricing

All menu items are reasonably priced considering our fresh, never frozen, locally-sourced ingredients. An average plate price will be \$10 - \$15 and alcoholic drinks will run \$6 - \$10. Bills will be considerably larger for game day visitors due to their length of stay. Our goal is to keep the customer happy and in awe of the service and the atmosphere, thereby ensuring their return. At TH we will take great care and pride in the guest experience. There will be no other place like ours and we plan to take full advantage of our exciting concept.

Promotional Tools

- Advertising
 - Wall posters advertising specials and menu items
 - V.I.P. parties available
 - Outdoor/Theater common-area message board changed weekly or daily
 - Grand Opening celebration
 - Yearly store birthday parties to celebrate the success of each year
 - We will also advertise in the phone book
 - Weekly or Monthly e-news letter with specials
 - An up-to-date email list
 - Website and smartphone app showing current draft beer and menu changes
- Local Store Marketing / Public Relations
 - School programs - perfect attendance, honor roll, team sponsorship, management internships
 - Customer raffle for sports jersey's or gift certificates
 - Public Service discounts for police, firefighters, EMTs, etc.
 - Birthday Giveaways
- Local Media
 - Direct mail - containing interior pictures of our restaurant, our prices, "Theme Nights," and an explanation of our concept
 - Radio campaign - complete with live remotes in our parking lot. We will pick the three top local stations with which to place our short and catchy ads. We will also sponsor radio call-in contests with free meal coupons to Title House as the prize. We will also make "live on the air" presentations of our food products to the disk jockeys, hoping to get the promotions broadcasted to the listening audience.
 - Cross promotion with the Arcada theater

- Newspaper campaign - placing several large ads throughout the month to explain our concept to the local area
- Cable TV - will be a possibility if we can secure favorable rates with enough frequency.
- Restaurant web page – this will give the internet users access to menus, daily specials, weekly promotions, and even placing pick up orders
- Google AdSpace and other forms of internet advertising
- Billboards
- Strong social media presence

Title House’s marketing budget will be a flexible \$4000 quarter. This will be more aggressive in the beginning. Being flexible in the marketing budget will let the advertisers adjust for different sporting events such as the Super Bowl, Stanley Cup, NBA finals, NASCAR events and the World Series. The marketing budget can be allocated in any way that best suits the time of year.

We will measure how well the advertising campaign is working. We will take random surveys of the customers that are in the restaurant as well as have a comments page on the website. What we would like to know is how the customer heard of TH and how they like it. In order to have a successful survey campaign, we will offer discounts for completed surveys. This is also a good way to get customers to add their email to our list.

Sample marketing budget (per quarter)

Newspaper flyer - \$1500
 Radio advertisement - \$1500
 Web Page - \$1000
 Customer raffle - \$350
 Direct mail - \$750
 Cable TV - \$1500
 \$6600

TH will train the wait staff to up-sell and to promote. Few things are more important in any business than positive training of staff which leads to productive and profitable results. Simply put – the better the training, the better the service. The better service the employees provide, the greater the returns on every aspect of our business.

TH will be committed to maximizing our purchasing power by building lasting relationships with local vendors and companies that will benefit all areas of our business. We will work directly and closely with all related industry contacts to ensure our restaurant the highest quality products and merchandise at best available prices. This covers all aspects of our business from food & bar purchases to retail and merchandise items, fixtures and equipment.

Assumption Page

- Management / Human Resources

TH plans to employ 10 to 20 employees. The hours are 11:00 AM till Midnight, Monday – Sunday. 6-8 Cooks up to \$13/hr, 3-5 Servers up to \$6.00/hr, 3-5 Bartenders (they can also perform other position functions) up to \$6.00/hr, and salaried General Manager, Assistant General Manager, and Assistant Manager.

- Operations

The operating expense for each month will include bank payment, supplier payment, utilities, Directv, salaries, and insurance.

The initial investment will be used to cover start up costs including facility, equipment, hiring and training employees, liquor license, initial advertising, and all other necessary licenses.

- Marketing

There will be a marketing budget of \$4000 - \$8000 per quarter. There will be extra marketing money for the grand opening celebration.

Menu- (partial)

Apps:

1. Artichoke stuffed with herb cream cheese
2. Garden fries - zucchini, cauliflower, broccoli, green beans, pickles, jicama, breaded and deep fried. With house sauce variety.

Soup/salad:

1. Build your own - a list of ingredients posted that the customer can choose from some without charge, some with charge.
2. Various potato salad, pasta salads, tabouli, cucumber salad, etc

Sandwiches:

1. Deli sandwich menu; choices will include a protein, veggie topping, handcrafted sauce
2. Chicago Cuban; Pork, Ham, Swiss, Mustard, Pickles, sport peppers, Timor, onion, celery seed, on a poppy seed bun served Panini style. "El Chicago"
3. Made to order burger with several different options for toppings

Entrees:

1. Spaghetti with Homemade Bolognese Sauce
2. Fresh Grilled Fish with a veggie and a side
3. Flatbreads and pizzas with housemade sauces

Dessert:

1. Various Mason Jar Desserts

Quick Item:

1. A full sandwich table with various breads, wraps, meats, cheeses, toppings, dressings
2. Various Breakfast sandwiches made quickly and served to-go style for the morning commute

Vegan:

1. Hearts of Palm calamari
2. Portobello Fajitas with a Spanish Pineapple Rice and Refried Beans

Focus on local, fresh, not frozen, scratch, in house, and original